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19 May 1947

MEMORANDUM FOR Assistant Director,
Special Operations

From: Special Funds

Subject: Rental of Rooms for Official Needs of Personnel
Procurement Officials while on Field Assignments.

Certain officials of the Personnel Procurement Section, Projects Support Division, OSO, have been making field trips to various sections of the United States in order to expedite their program of recruiting personnel and with particular emphasis on the reduction of costs to the Government in the elimination of transporting prospective employees to Washington, D. C. for interview and assessment.

In fulfilling the duties of their assignments in the field, these officials have rented hotel rooms in which the prospective employees are interviewed and assessed. These rooms were also used as places of lodging by the travelers. Upon returning from the field assignments, expense accounts were submitted to Special Funds in accordance with paragraphs 47a and 76 of the Standardized Government Travel Regulations which allows the rental of rooms for official purposes at government expense provided receipts are furnished with the expense account and provided the rentals are approved by the proper administrative official. Further, that in the event these rooms are also used by the traveler for lodging, a reduction of one-fifth of the allowable per diem must be made from the traveler's claim.

Special Funds deemed that the claims could have been allowed as submitted as they were approved by the Chief, PSD, who would normally be the proper administrative official, however, the nature of the activities of Personnel Procurement officials in the field seemed to parallel those of the Training Branch, OSO. Being aware of the ruling passed by the Director, CIG, for the Training Branch, OSO, and [redacted] Security Division, which fixed a maximum allowable actual expense figure which included the rental of rooms for official purposes, Special Funds thought it wise to bring the matter of the apparent discrepancy in allowances to the attention of the ADSO, which action was taken in a memorandum to Mr. [redacted] dated 23 April 1947. It was suggested in this memorandum that the Director, CIG, be requested to include Personnel Procurement Section/PSD, OSO, under the ruling governing the operations of the Training Branch, OSO, in view of the similarity of operating conditions.

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Under date of 24 April 1947, Mr. [redacted] addressed a memorandum to the Executive Officer, OSO, requesting that the ADSO

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recommend amendment to the approval of the maximum allowable actual expense figure to include the PPS recruiting teams. This request was forwarded by the Acting Assistant Director, Special Operations to the Executive for P & A who in turn brought the matter to the attention of the Deputy Director, CIG. The request was disapproved as a matter of policy in a memorandum dated 30 April from the Deputy Director, CIG, to the Executive for P&A.

In view of the preceding, Special Funds has no recourse but to handle the situation in one of the following ways:

a) Disallow the cost of hotel rooms allegedly used as necessary office space for interview and assessment purposes. The employee accordingly would receive only the normal \$6.00 per diem while in travel status.

b) Allow the full cost of hotel rooms when justified as necessary office space rental deducting one-fifth of the normal \$6.00 per diem if such office space is also used for sleeping quarters. This is predicated upon the determination that "the proper administrative official did approve the rental of such office space".

If b) above is determined as the proper policy in this type of travel, the following steps are suggested in order that the handling of these expenses may not even appear to be evasion of the expressed opinion of the Deputy Director, CIG, regarding travel allowances.

a) Specific approval in writing by the ADSO for the hiring of hotel accommodations when necessary for the purpose of interviews and assessment by the specific individuals concerned and during the specific periods involved.

b) Special Funds to obtain the following certificate from each individual in connection with their submitted travel vouchers:

"I hereby certify that all hotel rooms listed herein, the cost of which are claimed for reimbursement, were used primarily for the purpose of interviewing and assessing recruits and a reduction of one-fifth of each day per diem has been made whenever the rooms were also used for lodging."

For your information the per diem rate to each traveler is \$6.00 and under b) above a deduction of one-fifth for the use of rooms for lodging would amount to \$1.20 or a net per diem figure of \$4.80. This method benefits the traveler to the extent that he is able to obtain his hotel room for the cost of \$1.20 per day which is under the present day rates for hotel rooms, thereby enabling him to have a greater allowance for the purchase of meals. It is obvious, however,

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that if the traveler were in fact required to hire, in addition to his personal quarters, accommodations for official purposes, the cost to the Government would be greater. The saving provided by combined use of rooms for official and personal use is shared as between the individual and the Government.

In addition to the above economy justification for the dual use of hotel rooms, attention is called to the basic purpose of a field interview and assessment which is, of course, to effect major economies by not bringing prospective candidates to Washington at Government expense for this purpose.

It is respectfully requested that Special Funds be advised as to which policy to pursue in this matter.

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Chief, Special Funds

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